

304.1-120 Application of code to particular types of organizations.

No provision of this code shall apply to:

- (1) Fraternal benefit societies (as identified in Subtitle 29), except as stated in Subtitle 29.
- (2) Nonprofit hospital, medical-surgical, dental, and health service corporations (as identified in Subtitle 32) except as stated in Subtitle 32.
- (3) Burial associations (as identified in KRS Chapter 303), except as stated in Subtitle 31.
- (4) Assessment or cooperative insurers (as identified in KRS Chapter 299), except as stated in KRS Chapter 299.
- (5) Insurance premium finance companies (as identified in Subtitle 30), except as stated in Subtitle 30.
- (6) Qualified organizations which issue charitable gift annuities within the Commonwealth of Kentucky. For the purposes of this subsection:
 - (a) A "qualified organization" means one which is:
 1. Exempt from taxation under Section 501(c)(3) of the Internal Revenue Code as a charitable organization, if it files a copy of federal form 990 with the Division of Consumer Protection in the Office of the Attorney General; or
 2. Exempt from taxation under Section 501(c)(3) of the Internal Revenue Code as a religious organization; or
 3. Exempt as a publicly owned or nonprofit, privately endowed educational institution approved or licensed by the State Board of Education, the Southern Association of Colleges and Schools, or an equivalent public authority of the jurisdiction where the institution is located; and
 - (b) A "charitable gift annuity" means a giving plan or method by which a gift of cash or other property is made to a qualified organization in exchange for its agreement to pay an annuity.
- (7) A religious publication (as identified in this subsection), or its subscribers, that limit their operations to those activities permitted by this subsection, and:
 - (a) Is a nonprofit religious organization;
 - (b) Is limited to subscribers who are members of the same denomination or religion;
 - (c) Acts as an organizational clearinghouse for information between subscribers who have financial, physical, or medical needs and subscribers who choose to assist with those needs, matching subscribers with the present ability to pay with subscribers with a present financial or medical need;
 - (d) Pays for the subscribers' financial or medical needs by payments directly from one (1) subscriber to another;

- (e) Suggests amounts to give that are voluntary among the subscribers, with no assumption of risk or promise to pay either among the subscribers or between the subscribers and the publication; and
- (f) Provides the following verbatim written disclaimer as a separate cover sheet for all documents distributed by or on behalf of the exempt entity, including all applications, guidelines, promotional or informational materials, and all periodic publications:

"This publication is not issued by an insurance company nor is it offered through an insurance company. This publication does not guarantee or promise that your medical bills will be published or assigned to others for payment.

Whether anyone chooses to pay your medical bills will be totally voluntary. This publication should never be considered as a substitute for an insurance policy.

Whether you receive any payments for medical expenses, and whether or not this publication continues to operate, you will always remain liable for any unpaid bills."

- (8) A public or private ambulance service licensed and regulated by the Cabinet for Health and Family Services to the extent that it solicits membership subscriptions, accepts membership applications, charges membership fees, and furnishes prepaid or discounted ambulance services to subscription members and designated members of their households.

Effective: June 20, 2005

History: Amended 2005 Ky. Acts ch. 99, sec. 577, effective June 20, 2005. -- Amended 2002 Ky. Acts ch. 105, sec. 33, effective July 15, 2002. -- Amended 1994 Ky. Acts ch. 358, sec. 27, effective July 15, 1994; and ch. 449, sec. 1, effective July 15, 1994. -- Amended 1992 Ky. Acts ch. 199, sec. 1, effective July 14, 1992. -- Amended 1986 Ky. Acts ch. 200, sec. 1, effective July 15, 1986. -- Amended 1982 Ky. Acts ch. 209, sec. 4, effective July 25, 1982; and ch. 320, sec. 2, effective July 15, 1982. -- Amended 1980 Ky. Acts ch. 135, sec. 32, effective July 15, 1980. -- Amended 1978 Ky. Acts ch. 108, sec. 1, effective June 17, 1978. -- Created 1970 Ky. Acts ch. 301, subtit. 1, sec. 12, effective June 18, 1970.